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PROPOSED ATTORNEYS FOR DEBTOR
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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:)	Chapter 11 Case
LIFE PARTNERS HOLDINGS, INC.,)	Case No. 15-40289-rfn-11
Debtor.)	

**DECLARATION OF TRACY A. BOLT IN SUPPORT OF DEBTOR'S MOTION FOR
ENTRY OF AN ORDER APPOINTING EXAMINER WITH EXPANDED POWERS**

I, Tracy A. Bolt, state and declare:

1. My name is Tracy Bolt. I am an executive consultant with BDO USA, LLC ("BDO"), which maintains offices at 6050 Southwest Boulevard, Suite 300, Fort Worth, Texas 76109.

2. I make this Declaration ("Declaration") in support of the *Debtor's Motion for Entry of an Order Appointing Tracy A. Bolt as Examiner with Expanded Powers* (the "Motion").¹

3. The facts set forth in this Declaration are personally known to me based upon personal knowledge, unless otherwise noted, and if called as a witness I would and could competently testify thereto. To the extent that any information disclosed herein requires

¹ Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Motion.

amendment or modification, I will submit a supplemental statement to the Court.

4. I personally have over 27 years of accounting, management, business, and financial advisory experience. From September 1994 until May 2014, I was a partner in Hartman Leito & Bolt LLP ("HLB"), a leading accounting firm in the Dallas/Fort Worth area serving small businesses and multi-faceted organizations throughout North Texas. In May 2014, the partners and staff of HLB joined BDO. Since that time, I have continued to provide professional services as an executive consultant of BDO.

5. BDO is a nationally recognized professional services firm providing assurance, tax, financial, advisory and consulting services to a wide range of publicly traded and privately held companies. BDO has been helping companies and their stakeholders in special situations and transactions for more than 100 years.

6. As set forth in the Motion, if appointed by the Court to serve as Examiner, I would perform the following duties and functions (the "Examiner Duties"):

- (a) Work with securities counsel approved by the Bankruptcy Court to develop a work plan for ensuring LPHI's compliance with the provisions of the SEC Judgment relating to forms filed with the Commission and for the conduct of LPHI's business operations, the use and disposition of its assets and the satisfaction of its liabilities;
- (b) Review documents and information relevant to LPHI's compliance with the requirements of US securities laws and the conduct of LPHI's business operations, the use and disposition of its assets and the satisfaction of its liabilities;
- (c) Conduct interviews and discussions with LPHI's directors, officers and other relevant personnel to understand LPHI's policies and practices for complying with the requirements of the US securities laws and the conduct of LPHI's business operations;
- (d) Suggest revisions of LPHI's policies for complying with the requirements of US securities laws as advised by approved securities counsel, and for conducting its business operations, if appropriate; however, LPHI would not be obligated to implement any such suggested revisions;
- (e) Review LPHI's compliance with its policies relating to the requirements of US securities laws in conjunction with approved securities counsel;

- (f) Review LPHI's business operations and its financial statements;
- (g) Report to LPHI's Board of Directors and to the Court on a monthly or as needed basis my observations as to LPHI's compliance with LPHI's policies for compliance with the requirements of US securities laws. I would also report to LPHI's Board of Directors and the Court on a monthly or as needed basis as to the conduct of LPHI's business operations, the use and disposition of its assets and the satisfaction of its liabilities. Specifically and without limitation, I would report to LPHI's Board of Directors and the Court on a monthly or as needed basis any dissipation of LPHI's assets (other than in the ordinary course of LPHI's business operations), any dividends paid by LPHI, and any unusual business practices, fraud or irregularity in the management of LPHI;
- (h) Consistent with the above-described monitoring and reporting role, I would monitor and report to the Court regarding, but not exercise any control over, LPHI's business operations or any recapitalizations or other actions taken by LPHI;
- (i) In connection with my monitoring and reporting function, I would agree to terms of non-use and non-disclosure to maintain the confidentiality of LPHI's non-public information; and,
- (j) Notwithstanding the foregoing, I, as Examiner, would not be an officer or director of LPHI and would not have any liability for any filings made or not made by LPHI.

7. In the event I am appointed by the Bankruptcy Court to serve as Examiner, my hourly rate for providing such services would be \$550, subject to Court approval. Initially, I would be compensated at the rate of \$5,000 per week, which is anticipated to result in a savings to the Debtor over my customary hourly rate. Additionally, I may occasionally utilize the services of other professionals at BDO to take advantage of available expertise or for economic efficiency. Subject to Court approval, BDO would charge the Debtor the rate of between \$150 and \$675 per hour for BDO associates assisting me in the fulfillment of the Examiner Duties.

8. It is my practice, as well as BDO's practice, to seek reimbursement from its clients for all reasonable and necessary out-of-pocket expenses incurred in connection with the performance of its services, including postage, delivery charges, photocopying charges, and travel expenses. Both I and BDO customarily maintain detailed records of any actual and

necessary or appropriate costs and expenses incurred in connection with the aforementioned services. I and BDO will charge the Debtor's estate for such expenses in a manner and at rates consistent with charges made generally to our other clients.

9. Both I and BDO intend to apply to the Court for compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and orders of this Court.

10. Except as otherwise disclosed herein, neither I nor BDO has any connections with the Debtor, creditors, or any other parties in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the Office of the United States Trustee.

11. Insofar as I have been able to ascertain, neither I nor BDO holds an interest materially adverse to the Debtor or the Debtor's estate in the matter upon which it is to be employed.

12. I believe that BDO is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code.

13. In preparing this Statement, I or someone under my supervision and direction reviewed documents provided by the Debtor to determine whether I and/or BDO have any relationship with the parties in this chapter 11 case. To the extent such review indicated that either I or BDO had or has a relationship with or connection to any interested party, such relationship or connection is disclosed below.

Connections with Parties in Interest

14. Based on information known to date, both my and BDO's connections with the Debtor, creditors, other parties in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the Office of the United States Trustee, are as follows:

- (a) Prior Professional Services provided to the Debtor. Prior to the Debtor's bankruptcy filing, Jim Johnson in BDO's Dallas office was retained by Debtor's counsel, Baker & McKenzie, but did not testify as an expert witness for the Debtor in the following litigation matter: *Securities and Exchange Commission v. Life Partners Holdings, Inc., et al.*, Civil Action No. 1-12-cv-33-JRN.
- (b) Creditors and parties in interest. Some of the Debtor's creditors may routinely appear as creditors in other chapter 11 cases or be creditors of other businesses for which either I or BDO has provided services. Consequently, I and/or BDO may have been involved in cases with, been adverse to, or been involved in transactions with some of the Debtor's creditors in other matters. I am not aware of any connection with any of these entities or individuals that would disqualify either me from serving as the Examiner or BDO from assisting me in the performance of the Examiner Duties in this matter.
- (c) Attorneys, accountants and other professionals; Office of the United States Trustee. I and/or BDO may have in the past worked closely with one or more attorneys, accountants and other professionals who may participate in these Chapter 11 cases on behalf of the Debtor, creditors, or other parties in interest. Likewise, I and/or BDO may have worked closely in the past with the United States Trustee and persons employed by the Office of the United States Trustee in connection with other bankruptcy cases. I am not aware of any connection with any such person or entity which would disqualify either me from serving as the Examiner or BDO from assisting me in the performance of the Examiner Duties in this matter.

15. The disclosures above are based upon all information reasonably available to me at the time of filing of the Application. I will supplement this Declaration as may be required by the Bankruptcy Code and Bankruptcy Rules or the Court if and when any other connection requiring disclosure becomes known.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 27th day of January, 2015.



Tracy A. Bolt, Executive Consultant
BDO USA, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served via first class mail, postage prepaid, upon the parties reflected on the attached service list and any parties requesting service via ECF Notification, and via email on the parties listed below on this the 23rd day of January, 2015.

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/s/ Jeff P. Prostok
Jeff P. Prostok

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